



Housing Authority of the City of Alameda

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MINUTES

SPECIAL MEETING OF THE HOUSING COMMISSION OF THE CITY OF ALAMEDA HELD WEDNESDAY, SEPTEMBER 10, 2008

The Commission was called to order at 7:01 p.m. by Vice-Chair Pratt.

PLEDGE OF ALLEGIANCE

1. ROLL CALL

Present: Commissioners Balde, Ganley, Gormley, Schlueter and Vice-Chair Pratt

Absent: Chair Kurrasch and Commissioner Trujillo

2. CONSENT CALENDAR

Commissioner Gormley moved acceptance of the Consent Calendar. Commissioner Schlueter seconded. Motion carried unanimously. All items accepted or adopted are indicated with an asterisk.

*2-A. Minutes of the Housing Commission Regular Meeting held August 20, 2008. Minutes were accepted.

*2-B. Quarterly Investment Report. The Housing Commission accepted the report on the Housing Authority's investment portfolio as of July 31, 2008.

*2-C. Budget Variance Report. This report was accepted.

3. AGENDA

3-A. Housing Element Update. Vice-Chair Pratt introduced Cynthia Eliason, Supervising Planner, Department of Planning and Building, City of Alameda, who gave an oral report of the Housing Element.

Commissioner Gormley asked how the State deals with the environmental problems left by the Navy and the City acquiring the land. Ms. Eliason stated if adequate stock is not found that can be developed in the time period, the State looks into certain remedies.

Vice-Chair Pratt asked how they determined the 2,046 units that are needed. Ms. Eliason replied the Association of Bay Area Governments uses a formula.

Vice Chair Pratt thanked Ms. Eliason for the presentation. This oral report was for information only.

3-B. Alameda Point Task Force. This was an oral report presented by Commissioner Gormley. Commissioner Gormley discussed the environmental concerns with land at Alameda Point as well as other challenges facing the City in developing the site. She asked for feedback from fellow Commissioners. Commissioner Gormley expressed concern about the lack of action by the Navy in the clean up. SunCal's plan did not include everything the public desired so they came back with another plan. The second plan still concerned some citizens, primarily the proposed density and Measure A compliance. She reiterated that the Task Force's mission is to give SunCal the community's input.

3-C. Recommend Acquiring Two Housing Complexes from the Filipino American Community Services Agency (FACSA) at 745 Lincoln Avenue and 1416 Sherman Street in Alameda. Executive Director Michael Pucci explained the Housing Authority has been managing these complexes since FACSA acquired them. The Housing

Authority selects and screens tenants, collects rent, does all maintenance and pays all bills. Staff has investigated the debt on the complexes; there is approximately \$1.4 million of first mortgage loans and HOME loans. Interest and principal on the HOME loans is deferred until the first loans are paid off, and then the interest is 3 percent. The Housing Authority is negotiating with U.S. Bank on the first mortgage loans for a lower interest rate. Additionally, staff is determining the amount of capital improvements needed at both complexes which may result a larger loan. The Housing Authority wants to ensure that the cash flow can pay back any additional loans. He advised that there will be property tax savings as the Housing Authority does not have to pay taxes. Additional savings will be gained from the Housing Authority insurance carrier and eliminating the management fee. The Housing Authority will continue due diligence to continue to ensure the two complexes will be operated with small surpluses. Mr. Pucci advised that a financing package will be brought back the Housing Commission after the concept goes to the Board. The Housing Authority would like to complete the purchase by the end of November.

Mr. Pucci explained the nine units at 1416 Sherman Street are all two bedrooms and 745 Lincoln is a four-plex with a one bedroom wheel-chair accessible unit and three two bedroom units.

Commissioner Schlueter asked if U.S. Bank holds the mortgage on both complexes. Mr. Pucci replied affirmatively. The Housing Authority can get a tax-exempt loan with a lower interest rate. Both complexes are in good condition but the Housing Authority will investigate needed improvements.

Commissioner Schlueter asked how this opportunity arose. Mr. Pucci said FACSA has been in business for about 25 years but will be dissolving because of lack of new members. The Housing Authority met and told them of their interest in these two properties and worked out this arrangement.

Commissioner Schlueter asked how value is being established. Mr. Pucci said there is no cost, so there is no cost; the Housing Authority would simply assume the debt. Mr. Pucci estimated the value of the properties at \$2 million, and said an appraisal will be done.

Commissioner Schlueter moved the Housing Commission recommend to the Board of Commissioners to:

1. Approve the acquisition of 745 Lincoln Avenue and 1416 Sherman Street; and
2. Authorize the Executive Director to execute all documents related to the acquisition.

Commissioner Balde seconded. Motion carried unanimously.

- 3-D. Opening the Affordable Housing Waiting List for All Applicants and the Section 8 Waiting List for In-Place Families for Project Based Vouchers. Mr. Pucci explained the most important issue is opening the waiting list for the Housing Authority owned units because the Housing Authority is not getting enough applicants at each of the unit sizes. The waiting list was last opened was in 2003 and still has applicants on the list that will be re-categorized to become eligible.

The opening of the Affordable Waiting List to the general public will be advertised and based on a timeline. Names will be drawn for a lottery once the list is closed. Mr. Pucci projected 1,000 names will be drawn.

The opening of the Section 8 Waiting List is for current residents with proposed or actual Project-based Voucher Units. These tenants, some of which are paying a flat rent, can remain in their unit and pay 30 percent of their income for rent. After a year, they could take their vouchers and move or remain in their units. Opening the waiting list is a technicality because these in place tenants are automatically eligible to be Project-based voucher holders, but they must be placed in the Section 8 Waiting List. The Section 8 Waiting List currently is closed and would just be opened for this group of people.

Commissioner Schlueter moved:

1. All families currently on the Affordable Waiting List be allowed to remain on the list, regardless of the unit size they needed at the time of their applications;
2. Opening the Affordable Waiting List to the general public; and
3. Opening the Section 8 Waiting List to current residents of proposed or actual Project-based Voucher Units.

Commissioner Ganley seconded. Motion carried unanimously.

- 3-E. Recommend Award of Contract for Kitchen and Bath Cabinet Replacement at Anne B. Diamant Plaza. Mr. Pucci asked if there were questions.

Commissioner Schlueter asked if F.K. Construction did business with the Housing Authority before. Mr. Pucci replied affirmatively. Commissioner Schlueter asked about a contingency. Vice-Chair Pratt noted a small contingency on page 42. The Housing Authority has worked with F.K. Construction and Bay Cities Construction in the past. Staff advised that they were both located in the East Bay, Oakland or San Leandro.

Vice-Chair Pratt was pleased the bids were so close, she said it was reassuring.

Commissioner Balde moved the Housing Commission recommend to the Board of Commissioners to:

1. Award a contract to F.K. Construction for an amount not to exceed \$160,000.00 to replace kitchen and bath cabinets and countertops in 23 units at Anne B. Diamant Plaza; and
2. Authorize the Executive Director to execute the contract with F.K. Construction.

Commissioner Gormley seconded. Motion carried unanimously.

- 3-F. Esperanza Resident Meetings. Vice-Chair Pratt stated two Esperanza Resident meetings were held in August and the minutes were included in the packet. She asked if anyone had questions or concerns.

Commissioner Balde asked about the curfew. Mr. Pucci said the curfew being considered would pertain only to Esperanza residents of a certain age. Mr. Pucci advised that a police officer said the City cannot enforce a curfew because it is considered age discrimination; however, the owner of the property, the Housing Authority, can establish a curfew if desired.

Mr. Pucci stated the second meeting was heavily attended by Esperanza residents and policing issues and the disposition of Esperanza were discussed. Mr. Pucci said he would invite the Chief of Police to a meeting with Esperanza residents to discuss Esperanza, issues with Alameda Point youths, and the Police Department's role. A tentative meeting has been scheduled for October 9, 2008, at Esperanza.

Vice-Chair Pratt asked about neighborhood watches. Mr. Pucci feels there is a level of frustration at Esperanza with the Alameda Police Department and gave examples. He would like the Police Department to hear Esperanza residents' frustrations in person.

Vice-Chair Pratt commented that residents felt things would settle down once school started. Mr. Pucci said residents feel a sense of community and would like the Police Department to support them when outsiders come in to create problems.

Mr. Pucci said in addition to meeting with the Alameda Police Department, there will be meetings with the Boys and Girls Club and a group called the Macullaugh Youth

Court. The Macullaugh Youth Court group runs a youth court in Alameda County and have different programs for youths.

This report was for information only.

4. ORAL COMMUNICATIONS

None.

5. COMMISSIONER COMMUNICATIONS

Commissioner Ching-Ching Ganley mentioned a meeting about the state of Alameda September 17, 2008, regarding building a local movement for action on climate change. She also discussed safe walking routes for children to Alameda schools.

Commissioner Gormley discussed the dog policy at Independence Plaza and expressed her concern that the problem has not gone away. She suggested adding to the policy, "no dogs allowed in the lobby or the community room," for every resident owning a dog. She felt this would comfort the residents.

Vice-Chair Pratt asked if new dog owners are being ostracized. Commissioner Gormley is not sure, she said people who own dogs do not speak to her anymore. Vice-Chair Pratt agreed on adding the suggested phrase to the dog policy at Independence Plaza.

Vice-Chair Pratt discussed the August 27th Esperanza Resident meeting and said it was a well attended, informative and an excellent meeting. Board Member Michael Torrey agreed.

6. ADJOURNMENT

There being no further discussion, Vice-Chair Pratt adjourned the meeting at 7:59 p.m.

Joy Pratt, Vice-Chair

Attest:

Michael T. Pucci
Executive Director / Secretary